

Kenai Peninsula Borough Assembly

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Tyson Cox, Assembly Member *TRC*

DATE: August 5, 2025

RE: LAYDOWN Amendment to Proposition No___ Proposition Summary for Ordinance 2025-14: Amending KPB 5.18.430 to Annually Adjust the Sales Tax for Inflation.

This amendment will change proposition summary to reflect amendments made.

[Please note the bold underlined language is new and the strikeout language in brackets is to be deleted.]

➤ Amend the KEY PROVISIONS statement as follows:

Key Provisions:

1. The maximum sales tax amount will be adjusted **once every fifth year** yearly based on the prior **five years'** year's annual Anchorage Consumer Price Index (CPI) as published by the state.
2. **The payment of rent for real or personal property will continue to have a maximum sales tax amount of \$500 per transaction.**
3. **Temporary lodging will have no sales tax cap.**
- ~~2.~~ 4. If approved by the voters at the October 7, 2025 election, Ordinance 2025-14 will be effective on ~~January 1, 2026~~ **April 1, 2026**.

➤ Amend the FISCAL IMPACT statement as follows:

Fiscal Impact:

~~Per fiscal note, adjusting~~ **Adjusting** the sales tax maximum amount **every five years, retaining the \$500 maximum sales tax for rental transactions, and removing a sales tax cap from temporary lodging sales** will **result in** increased revenue from sales tax ~~by approximately \$250,000 to \$500,000.~~

- Amend the BALLOT LANGUAGE as follows:

Shall Ordinance 2025-14, amending the Kenai Peninsula Borough Code of Ordinances 5.18.430 to ~~annually~~ adjust the sales tax cap for inflation **once every fifth year**, be ratified?

YES A "Yes" vote means you approve amending the Kenai Peninsula Borough Code of Ordinances 5.18.430 to ~~annually~~ adjust the sales tax cap for inflation **once every fifth year** based on the prior **five years'** year's annual Anchorage Consumer Price Index (CPI).

NO A "No" vote means you oppose amending the Kenai Peninsula Borough Code of Ordinances 5.18.430 to ~~annually~~ adjust the sales tax cap for inflation **once every fifth year** based on the prior **five years'** year's annual Anchorage Consumer Price Index (CPI).

Your consideration is appreciated.